

1. **Validity**

These conditions are subject to any special stipulations set out by KATKO Oy (hereinafter "Katko") in the Agreement documents. The said conditions and stipulations shall prevail unless otherwise agreed in writing.
2. **Specifications**

All quotations for goods are made in accordance with Katko's specifications at the time of order.
3. **Price**

Katko reserves the right to undertake reasonable price adjustments in case of fluctuation of cost with two (2) months' notice (unless otherwise agreed in writing). The adjustment will be applied also to orders already received and confirmed, if the confirmed delivery time is longer than two (2) months. Any change of the prices shall be notified to the Distributor by registered letter, fax or e-mail.
4. **Delivery**

The order becomes binding once Katko has confirmed it. Unless otherwise agreed, deliveries shall be ex-works, Helsinki in accordance with Incoterms 2000. Where the Distributor fails to give Katko adequate instructions for dispatch, or otherwise delays delivery, Katko shall be entitled to store, dispose of or reallocate the goods without being responsible for any loss and at its option to charge for any costs arising and/or to cancel the order.
5. **Force Majeure**

Katko shall not be under any liability in respect of any delay in delivery arising from Force Majeure including, but not limited to, industrial or labor disputes, riots, mobs, fires, floods, wars, civil strife, embargoes, shortages of labor, materials, power, fuels, or means of transportation, whether affecting the Katko or any subcontractor, or for circumstances caused by reasons of law, regulations or orders and lack of permission of any government or competent Authority. Any delay caused by such conditions shall be excused and Katko may claim extension of time for as long as such conditions continue. During the period in which delivery of the goods cannot be made for any abovementioned reason the Distributor shall be entitled, after giving Katko written notice of its intention to do so, to purchase products elsewhere at its own cost and risk and Katko shall not be obliged to make up deficiencies which have arisen as aforesaid. If a delay exceeds three months, Katko and the Distributor may cancel the Agreement without incurring any liability therefor.
6. **Payment**
  - a. Unless otherwise agreed, the Distributor shall make full payment in Euro to Katko by wire transfer with immediately available funds or by confirmed and irrevocable Letter of credit (L/C) payable at sight in Helsinki.
  - b. Katko charges interest for late payment, amounting to one and one half per cent (1 and 1/2%) per month for any unpaid amount from the date such payment is due.
7. **Claims**

No claim for shortage or damage will be considered unless received in writing by Katko within (whichever occurs earlier) the warranty period or 14 days from the date when the Distributor became aware or should have reasonably become aware of the shortage or damage.
8. **Warranty**

Katko warrants that the products conform with the specifications. The warranty period is 12 months from the date of delivery. As an exclusive remedy for the product that breaches the warranty, Katko shall, at its option, replace the product at its own cost with new product or refund the purchase price of any product which within warranty period, are found to be in breach of the warranty, provided that the goods are returned to Katko's designated factory freight prepaid, and Katko is informed immediately, when the breach of warranty becomes apparent and the same is shown to Katko's reasonable satisfaction to be due to its faulty workmanship or defective materials.

No other warranties, express or implied, are made or will be deemed to have been made by Katko and Katko neither assumes nor authorizes any other person to assume for it any other obligations or liabilities in connection with the distribution and sale of the products or otherwise. This condition shall replace and exclude all common law or statutory warranties, undertakings, statements, representations or conditions whether express or implied. Katko shall not be liable in contract or tort for any indirect, consequential or economic loss (whether relating to quality, dispatch, and delivery or otherwise).

The Distributor will assume responsibility for and hold and save Katko harmless from all claims (including but not limited to claims resulting from acts of negligence on the part of the Distributor), liabilities, demand, costs or expenses or the like which may be incurred by third party claims related to the products. The Distributor shall maintain during the term of this Agreement adequate insurance to cover its obligations under these conditions.

#### 9. IPR and confidentiality

All intellectual property rights in all products and Katko documents (including drawings and art work) furnished to the Distributor shall at all times remain vested in Katko and neither the documents nor their contents shall be used without Katko's express written consent for any purpose other than that for which they were furnished.

The Distributor undertakes to keep confidential and not to use for any other purpose than the purpose of the agreement between the parties any information received from Katko based on the agreement or otherwise regardless of the form of the information.

#### 10. Taxes, duties, fees, charges

The quoted price is exclusive of all taxes, duties and fees and charges of any kind in the country of destination. Such taxes,

duties, fees and charges are payable by the Distributor.

#### 11. No Waiver

Katko's failure to insist adherence of a certain condition in any specific situation, shall not be deemed a waiver of such condition and shall not prevent Katko from insisting adherence of such condition thereafter.

#### 12. Governing law and dispute resolution

These conditions and any other agreement between the parties shall be governed by the laws of Finland excluding its choice of laws provisions. Any dispute, controversy or claim arising out of or relating to these conditions or agreement, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Finland Chamber of Commerce by sole arbitrator. The place of arbitration is Helsinki, Finland and the language shall be Finnish.

#### 13. Orgalime S 2012

Orgalime S 2012 "General Conditions for the Supply of Mechanical, Electrical and Electronic products" (hereafter Orgalime S 2012) shall apply if not otherwise agreed in the Agreement documents or determined in these conditions. Therefore, should there be a conflict between these conditions and Orgalime S 2012, these conditions shall prevail.